

### **11-25-11 Comprehensive financing program ordinance -- Contents.**

Prior to the issuance of any bonds or bond anticipation notes of the agency for residential rehabilitation, the agency shall by ordinance adopt a comprehensive residential rehabilitation financing program, including:

- (1) Criteria for selection of residential rehabilitation areas by the agency including findings by the agency that:
  - (a) There are a substantial number of deteriorating structures in the area which do not conform to community standards for decent, safe, sanitary housing.
  - (b) Financial assistance from the agency for residential rehabilitation is necessary to arrest the deterioration of the area.
  - (c) Financing of residential rehabilitation in the area is economically feasible. These findings are not required, however, when the residential rehabilitation area is located within the boundaries of a project area covered by an urban renewal project area plan adopted in accordance with Section 17C-2-107.
- (2) Procedures for selection of residential rehabilitation areas by the agency including:
  - (a) Provisions for citizen participation in selection of residential rehabilitation areas.
  - (b) Provisions for a public hearing by the agency prior to selection of any particular residential rehabilitation area.
- (3) A commitment that rehabilitation standards will be enforced on each residence for which financing is provided.
- (4) Guidelines for financing residential rehabilitation which shall be subject to the following limitations:
  - (a) Outstanding loans on the property to be rehabilitated including the amount of the loans for rehabilitation, may not exceed 80% of the anticipated after-rehabilitation value of the property to be rehabilitated, except that the agency may authorize loans of up to 95% of the anticipated after-rehabilitation value of the property if loans are made for the purpose of rehabilitating the property for residential purposes, there is demonstrated need for such higher limit, and there is a high probability that the value of the property will not be impaired during the term of the loan.
  - (b) The maximum repayment period for residential rehabilitation loans shall be 20 years or 3/4 of the economic life of the property, whichever is less.
  - (c) The maximum amount loan for rehabilitation for each dwelling unit and for each commercial unit which is, or is part of a "residence" as defined in this chapter, shall be established by resolution of the agency.

Amended by Chapter 378, 2010 General Session